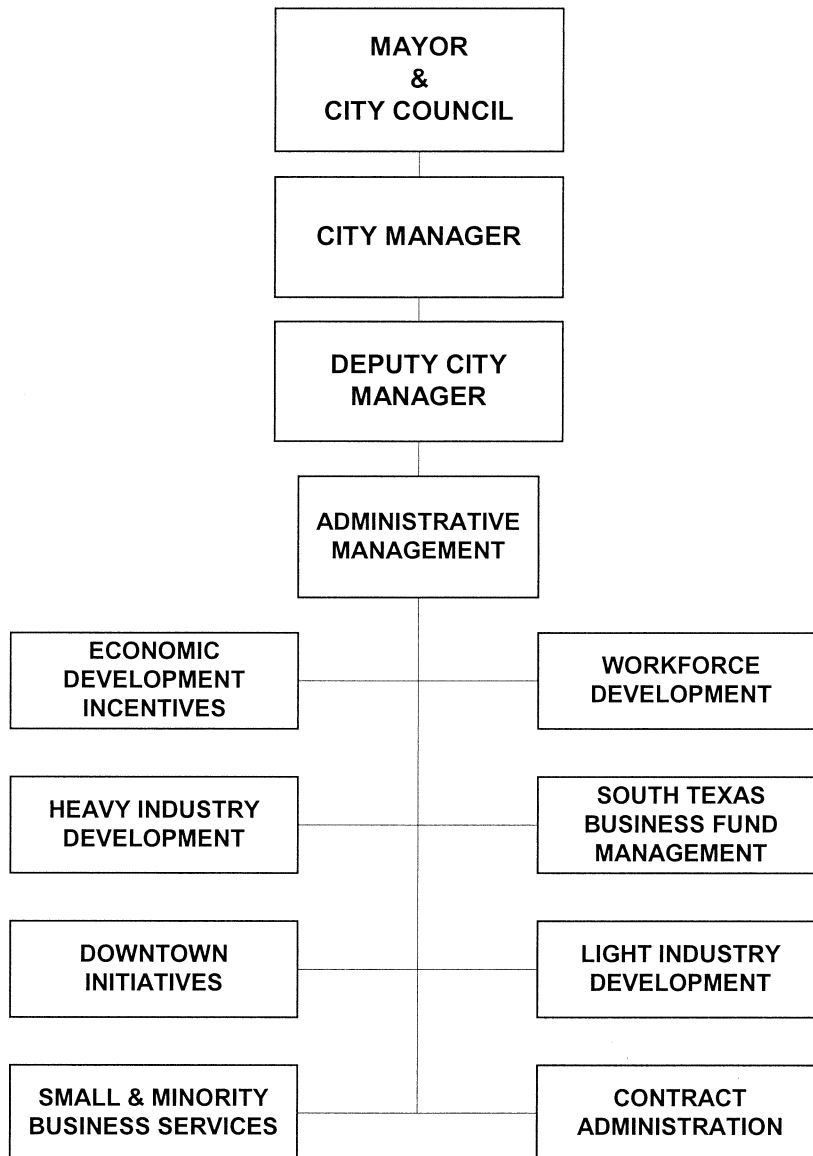


ECONOMIC DEVELOPMENT



APPROPRIATIONS BY FUND	FTE	ADOPTED 2004-2005
General Fund	25.00	\$1,922,353
Categorical Grants	3.00	347,200
CDBG	1.00	68,671
South Texas Business Fund	8.00	506,965
Capital Projects	0.00	2,800,000
Total Funding	37.00	\$5,645,189

MISSION STATEMENT

To lead San Antonio's economic development activities through policy implementation, strategic planning, and partnerships to create jobs and provide for business retention.

PROGRAM INFORMATION

The Economic Development Department seeks to enhance the overall economic well-being of the community through responsible economic development, while protecting San Antonio's quality of life. Through successful collaborative efforts, the Department oversees implementation of the City's Economic Development Strategic Plan to achieve local goals and growth. The Department is aligned to focus on these Strategic Plan goals in the following functional areas:

The Office of the Director provides overall strategic, administrative and programmatic oversight.

The Operations and Monitoring division provides comprehensive oversight and support of fiscal, budgetary and personnel operations, as well as key contractual matters for the department.

The Heavy Industry Development division actively works with numerous economic development organizations to stimulate job growth and targeted investment by businesses in the following industries: aerospace, manufacturing distribution, trade and military missions.

The Light Industry Development division actively works with key economic development organizations to stimulate job growth and targeted investment by businesses in the following industries: biotechnology, telecommunications, information technology and business services.

The Development and Workforce Initiatives division coordinates activities to encourage development and redevelopment within targeted areas. This includes oversight of the Incentive Scorecard System designed to expedite the award of certain incentives to investors and developers. This division also administers the federal Empowerment Zone activities and informational services to businesses. Staff of this division also coordinates education and workforce development activities, on behalf of the City. In addition, the Downtown Public Improvement District activities are coordinated by this division to support commerce and the visitor industry.

The Small Business Development division, housed in the Development and Business Services Center, encompasses programs such as the Small Business Economic Development Advocacy program, which assists with government contracting opportunities to historically underutilized business communities. It also includes the First Point Business Information Office, which supplies business start-up information, technical assistance, site development and assistance with regulatory processes for new and expanding businesses.

In addition, the South Texas Business Fund (formerly San Antonio Local Development Company), a division of the Department, provides small business financing and assistance to support the capital needs of new and expanding businesses.

GOALS & OBJECTIVES

- ◆ Foster a favorable climate for economic growth by supporting existing industries and nurturing high-wage, substantial skill "targeted" industries.
- ◆ Facilitate new business development and small business growth.
- ◆ Promote redevelopment in downtown and targeted areas.
- ◆ Coordinate the activities of local economic development entities and agencies to effectively achieve community goals and maximize resources.
- ◆ Provide specialized training to improve job-related skills and workforce development.

ECONOMIC DEVELOPMENT

GENERAL FUND SOUTH TEXAS BUSINESS FUND

BALANCED SCORECARD

	Strategic Objectives	Performance Measures	Actual FY 03	Rev. Bud. FY 04	Estimated FY 04	Adopted FY 05
Customer	Citizens' Well Being & Human Potential					
	Foster a Favorable Climate for Economic Growth	Total No. of Jobs Created/Retained through EDD Programs ¹	3,809	3,775	3,700	3,850
	Support Existing Industries and Nurture High-Wage Substantial Skill "Targeted" Industries	Mean Hourly Wage of Jobs Created through EDD Incentive Programs ²	\$23.14	\$15.12	\$18.34	\$18.50
Financial	Provide Economic Development Opportunities					
	Facilitate New Business Development and Small Business Growth	No. of Loans Made by South Texas Business Fund	72	90	83	90
		Total Contracting Dollars Awarded to MBE/WBE Contractors (In Millions)	\$45.9	\$44.9	\$42.2	\$46.9
		Total Contracting Dollars Awarded to SBE Contractors (In Millions)	\$87.6	\$84.0	\$68.3	\$87.0
Internal Processes	Improve Customer Service					
	Promote EDD incentive outreach efforts	Total No. of Clients Receiving Business Start Up Information	3,683	3,500	3,834	3,850
		% of MBE/WBE City-Wide Benchmarks Achieved	84.56%	100%	98%	100%
Employee Learning & Growth	Improve Employee Services					
	Provide Opportunities for Specialized Training	% of Employees Completing Minimum Training & Professional Development Courses ³	22%	75%	75%	80%

EXPLANATORY INFORMATION

- ¹ This includes all jobs in which EDD has been directly involved in recruitment, retention, or expansion of local companies. Such EDD efforts include meetings with company representatives to present information on City incentive programs, facilitating meetings with other economic development partners, or assisting in resolution of development issues.
- ² Actual FY 2003 includes Toyota impact. Revised, Estimated, and Adopted figures are calculated based on a variety of sources, such as contracts, information provided on tax phase-in applications, and other information provided by companies.
- ³ Minimum of two courses per fiscal year.

ECONOMIC DEVELOPMENT**GENERAL FUND
SOUTH TEXAS BUSINESS FUND****PROGRAM CHANGES****◆ IMPROVEMENTS****\$11,656****WORKFORCE COMPENSATION ENHANCEMENT**

This **improvement** totaling \$11,656 will provide a market adjustment and performance pay incentive for eligible employees included in the South Texas Business Fund budget. The market adjustment, effective October, 2004, will be distributed to eligible employees based on annual base salaries. Employees with \$40,000 annual base salary and below will receive a three percent salary increase. Employees with above \$40,000 annual base salary will receive a two percent salary increase.

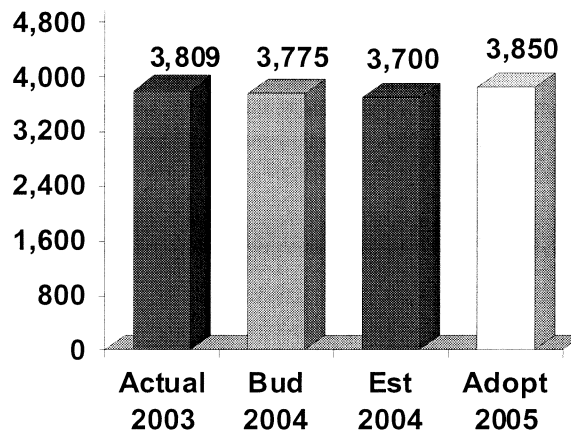
In addition, full-time and part-time civilian City employees with at least one year of service (who have been on the City's payroll as of October 1, 2003) will be eligible to receive performance pay in May 2005. The City's existing Employee Performance Management & Development System will serve as the foundation for effective distribution of the allocated performance pay.

GENERAL FUND EXPENDITURES BY CHARACTER

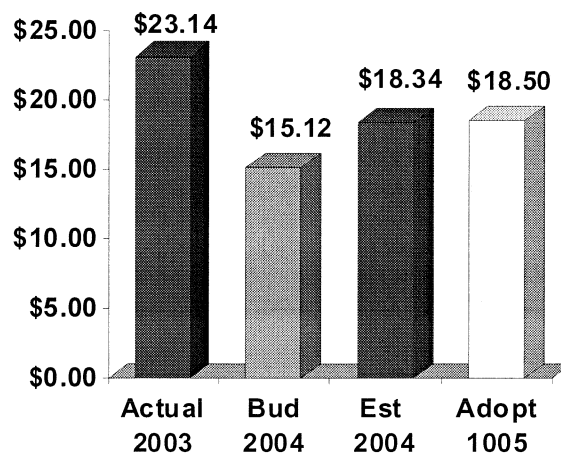
	ACTUAL 2002-2003	REVISED BUDGET 2003-2004	ESTIMATED 2003-2004	ADOPTED 2004-2005
PERSONAL SERVICES	\$1,294,072	\$1,504,870	\$1,547,533	\$1,584,587
CONTRACTUAL SERVICES	256,575	272,470	218,499	302,903
COMMODITIES	20,368	24,747	25,739	24,747
OTHER EXPENDITURES	7,122	12,122	11,572	10,116
CAPITAL OUTLAY	1,799	0	0	0
TOTAL EXPENDITURES	\$1,579,936	\$1,814,209	\$1,803,343	\$1,922,353
AUTHORIZED POSITIONS	25	25	25	25
FULL-TIME EQUIVALENTS	25.00	25.00	25.00	25.00

SOUTH TEXAS BUSINESS FUND EXPENDITURES BY CHARACTER

	ACTUAL 2002-2003	REVISED BUDGET 2003-2004	ESTIMATED 2003-2004	ADOPTED 2004-2005
PERSONAL SERVICES	\$415,516	\$423,249	\$425,826	\$445,401
CONTRACTUAL SERVICES	33,300	\$57,310	53,882	54,064
COMMODITIES	6,436	\$6,372	6,372	6,372
OTHER EXPENDITURES	1,128	\$1,128	1,128	1,128
CAPITAL OUTLAY	5,615	0	0	0
TRANSFERS	10,476	43,555	43,555	43,555
TOTAL EXPENDITURES	\$472,471	\$531,614	\$530,763	\$550,520
AUTHORIZED POSITIONS	8	8	8	8
FULL-TIME EQUIVALENTS	8.00	8.00	8.00	8.00

**TOTAL NUMBER OF JOBS CREATED/RETAINED
THROUGH EDD PROGRAMS**

✓ Measure reflects all jobs in which EDD has been directly involved in recruitment, retention, or expansion of local companies.

**MEAN HOURLY WAGE OF JOBS CREATED
THROUGH EDD INCENTIVE PROGRAMS**

✓ Actual FY 2003 includes the impact of the Toyota Plant scheduled to open in 2006.

ECONOMIC DEVELOPMENT

GRANT SUMMARY

Below is a comprehensive listing of the grant expected by the Economic Development Department in FY 2005. Details on this grant program can be found on the following pages.

TITLE OF PROGRAM	FEDERAL	STATE	CITY	OTHER	ADOPTED FY 2005
Procurement Technical Assistance	\$149,950	\$0	\$19,930	\$177,320	\$347,200
TOTAL	\$149,950	\$0	\$19,930	\$177,320	\$347,200

ECONOMIC DEVELOPMENT

PROCUREMENT TECHNICAL ASSISTANCE

PROGRAM INFORMATION:

The Procurement Technical Assistance Center (PTAC) promotes economic development and business retention by assisting small businesses to competitively obtain government procurement contracts. The PTAC administers the City's cooperative agreement with the U.S. Department of Defense (DoD) to provide services in the San Antonio area and twelve surrounding counties. The program assists businesses to develop contracts with all federal, state, and local government agencies. This activity helps to stimulate job creation, increase the tax base, and also supports the City's small, minority, and women-owned procurement goals. This grant program covers the period of January 1, 2005 through December 31, 2005.

PERFORMANCE MEASURES

	Actual 2002-2003	Estimated 2003-2004	Adopted 2004-2005
Input:			
No. of PTAC personnel	3	3	3
No. of clients in database	415	400	400
Output:			
Conferences Sponsored	39	22	22
Efficiency:			
No. of Initial Counseling Sessions	271	260	260
Effectiveness:			
No. of follow up Counseling Sessions	328	500	500

FUNDING BY SOURCE & EXPENDITURES BY CHARACTER

	Actual 2002-2003	Authorized 2003-2004	Adopted 2004-2005
FUNDING SOURCES			
CITY	\$0	\$19,930	\$19,930
FEDERAL	149,950	149,950	149,950
OTHER – (City In-kind)	156,655	206,141	177,320
TOTAL FUNDING	\$306,605	\$376,021	\$347,200
EXPENDITURES			
PERSONAL SERVICES	\$279,302	\$356,091	\$327,270
CONTRACTUAL SERVICES	20,596	10,430	10,430
COMMODITIES	0	9,500	9,500
OTHER EXPENDITURES	6,707	0	0
TOTAL EXPENDITURES	\$306,605	\$376,021	\$347,200
AUTHORIZED POSITIONS	3	3	3
FULL-TIME EQUIVALENT	3.00	3.00	3.00